

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

December 6, 2002

IN RE:

GENERIC DOCKET ADDRESSING
RURAL UNIVERSAL SERVICE

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DOCKET NO.
00-00523

ORDER CONTINUING ABEYANCE

This docket came before the Pre-Hearing Officer to ascertain the status of negotiations between BellSouth Telecommunications, Inc. ("BellSouth") and the Rural Coalition.¹

On July 15, 2002, BellSouth filed *BellSouth Telecommunications Inc.'s Motion for Reconsideration or, in the Alternative, Clarification of the Initial Order of Hearing Officer for the Purpose of Addressing Legal Issues 2 and 3 Identified in the Report and Recommendation of the Pre-Hearing Officer Filed on November 8, 2000* ("Motion").² On August 23, 2002, BellSouth filed a letter requesting that the Authority hold the Motion in abeyance for sixty (60) days.

¹ The Rural Coalition includes the following companies: Ardmore Telephone Company, Inc.; Ben Lomand Rural Telephone Cooperative, Inc.; Beldose Telephone Cooperative; CenturyTel of Adamsville, Inc.; CenturyTel of Claiborne, Inc.; CenturyTel of Ooltewah-Collegedale, Inc.; Concord Telephone Exchange, Inc.; Crockett Telephone Company, Inc.; Dekalb Telephone Cooperative, Inc.; Highland Telephone Cooperative, Inc.; Humphreys County Telephone Company; Loretto Telephone Company, Inc.; Millington Telephone Company; North Central Telephone Cooperative, Inc.; Peoples Telephone Company; Tellico Telephone Company, Inc.; Tennessee Telephone Company; Twin Lakes Telephone Cooperative Corporation; United Telephone Company; West Tennessee Telephone Company, Inc.; and Yorkville Telephone Cooperative.

² BellSouth filed a "substitute version" of its motion on July 25, 2002. Former Director Melvin J. Malone issued the *Initial Order of Hearing Officer* on June 28, 2002. Director Malone's term as a director of the Tennessee Regulatory Authority expired on June 30, 2002.

The Pre-Hearing Officer³ entered an order on September 4, 2002 granting BellSouth's request thereby holding the Motion in abeyance until November 4, 2002. The order further provided:

Upon conclusion of the sixty-day period, the Hearing Officer will schedule a status conference in order to hear a report from the parties of the status of their negotiations. If the parties reach an agreement prior to the scheduling of a status conference, the parties shall file a written explanation of the agreement for consideration by the Hearing Officer.⁴

Having received no written explanation of settlement prior to the conclusion of the sixty (60) day period, the Pre-Hearing Officer issued a notice on October 29, 2002 scheduling a status conference for November 6, 2002 to hear a report from the parties on the status of their settlement negotiations.

The Pre-Hearing Officer convened the status conference on November 6, 2002. The parties in attendance were: BellSouth Telecommunications, Inc., represented by Charles L. Howorth, Jr. Esq., 333 Commerce Street, Suite 2104, Nashville, Tennessee 37201-3300, and the Rural Coalition, represented by Bruce H. Mottern, Esq., 9737 Cogdill Road, Suite 23, Knoxville, Tennessee 37932-3374.

BellSouth began the discussion by requesting on behalf of itself and the Rural Coalition that the Pre-Hearing Officer extend the abeyance for an additional sixty (60) days. BellSouth explained that the parties had met on several occasions and the meetings had been positive. BellSouth further explained:

We are moving forward on numerous issues. There is a series of issues that underlie the big issue that's part of this docket. And those, while we believe that they are discrete and separate, they also impact one another. And what we are doing is looking at each of those and how they do impact the other and whether we can come to this Authority with sort of a wholistic

³ At the July 23, 2002 Authority Conference, the panel assigned to this docket voted to appoint Director Jones as the Pre-Hearing Officer.

⁴ *Order Granting Request to Hold Reconsideration in Abeyance*, p. 3 (Sept. 4, 2002).

recommendation as to how the relationship between us and the independents should continue in the future.⁵

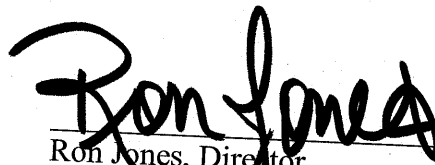
The Rural Coalition agreed with these comments and at the request of the Pre-Hearing Officer agreed to notify the Authority if any member of the Rural Coalition departs from the negotiations.

After considering the parties' comments, the Pre-Hearing Officer granted the parties' request to extend the abeyance period from November 4, 2002 for an additional sixty (60) days. Also, the Pre-Hearing Officer directed the parties to file at the end of the abeyance period, if unresolved issues remain, a filing notifying the Authority of the status of negotiations and stating whether more time is needed to continue negotiations.

⁵ Transcript of Proceedings, Nov. 6, 2002, pp. 3-4 (Status Conference).

IT IS THEREFORE ORDERED THAT:

1. The parties' request to continue the abeyance period is granted such that the resolution of *BellSouth Telecommunications Inc.'s Motion for Reconsideration or, in the Alternative, Clarification of the Initial Order of Hearing Officer for the Purpose of Addressing Legal Issues 2 and 3 Identified in the Report and Recommendation of the Pre-Hearing Officer Filed on November 8, 2000* shall be held in abeyance until **Friday, January 3, 2003**.
2. Upon conclusion of the abeyance period if the parties have failed to enter into a settlement, the parties shall file a statement notifying the Authority of the status of negotiations and stating whether more time is needed to continue negotiations. If the parties reach an agreement prior to expiration of the abeyance period, the parties shall file a written explanation of the settlement for consideration by the Pre-Hearing Officer or the panel, whichever is appropriate.



Ron Jones, Director
as Hearing Officer